

NOTICE

The Urban Community Development Commission (UCDC) was established by Ordinance August 15, 1975 to function as the governing body of the Community Redevelopment Agency. Its purpose is to aid in planning and implementing projects in the City of Compton. Pursuant to Section 54957.5 of the California Government Code, Any writings (Except for those writings which are exempt from disclosure) which are distributed to all or a majority of the members of the City Council are available for public inspection in the lobby of the City Council Chambers and in the office of the City Clerk during regular business hours.

URBAN COMMUNITY DEVELOPMENT COMMISSION

AGENDA

Tuesday, November 17, 2009

6:50 PM

WORKSHOP(S)

HEARING(S)

OPENING

ROLL CALL

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

APPROVAL OF MINUTES

1. November 3, 2009

UNFINISHED BUSINESS

NEW BUSINESS

2. A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON APPROVING A LEASE AGREEMENT WITH THE CITY OF COMPTON AND THE COMPTON LOCAL HOUSING AUTHORITY
3. A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON AUTHORIZING AN ADVANCE OF \$5,000,000 FROM THE CITY OF COMPTON TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON

COMMISSION COMMENTS

ADJOURNMENT

NOVEMBER 3, 2009

The Urban Community Development Commission meeting was called to order at 7:39 p.m. in the Council Chambers of City Hall by Chairperson Eric Perrodin.

ROLL CALL

Commissioners Present: Calhoun, Dobson, Jones, Perrodin
Commissioners Absent: Arceneaux

Other Officials Present: C. Cornwell, A. Godwin, C. Evans

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

William Kemp, Compton resident, requested the status of the report concerning the condition of the city's bridges and questioned if the city would consider reducing the water rates for senior citizens.

Lynn Boone, Compton resident, commented on the report given by the Director of the Planning and Economic Development Department at last week's meeting. Ms. Boone indicated that a portion of the report states that some of the funding received from JAG would be allocated towards the establishment of the Compton Police Department. Ms. Boone mentioned that she had contacted JAG regarding this allocation, after which they indicated that they would monitor the manner in which the city utilizes the funding. Ms. Boone concluded by expressing a concern for the blighted corner at Compton and Central Avenue.

Joyce Kelly, Compton resident, commented on the proposed uses of JAG funding, citing that JAG funds are expected to be utilized for the purposes of preventing crime. Ms. Kelly stated that the funds should be allocated towards programs such as the "Safe Paths" community organization. Ms. Kelly also felt a portion of the funds should be allocated towards programs that train gang members on how to operate their own businesses or other related programs.

Gwen Patrick, Compton resident, requested the schedule for the installation of brighter lighting in the City of Compton and asked that the Commission address the facade of the parking lot surrounding the Compton Fashion Center.

#1.

APPROVAL OF MINUTES

1. October 27, 2009

On motion by Calhoun, seconded by Dobson, the minutes were approved, by the following vote on roll call:

AYES: Commissioners - Calhoun, Dobson, Jones, Perrodin

NOES: Commissioners - None

ABSENT: Commissioners - Arceneaux

UNFINISHED BUSINESS - There was no Unfinished Business.

NEW BUSINESS - There was no New Business.

COMMISSION COMMENTS

Chairperson Perrodin stated that he would be looking into providing a discount for senior citizens on their water bills. Chairperson Perrodin also stated that he is awaiting the bridge report and mentioned that the youth could use the computers at Tomorrow's Aeronautical Museum, the Youth Athletic League, Careerlink and the Compton Library.

Chairperson Perrodin notified Ms. Patrick that the city is working with Southern California Edison to perform a three year light conversion project. Chairperson Perrodin stated that some examples of the proposed lighting structures are located on Long Beach Boulevard south of Tucker and at 138th Street between Parmalee and Central Avenue.

ADJOURNMENT

On motion by Calhoun, seconded by Dobson, the meeting was adjourned at 7:53 p.m., by the following vote on roll call:

AYES: Commissioners - Calhoun, Dobson, Jones, Perrodin

NOES: Commissioners - None

ABSENT: Commissioners - Arceneaux

Clerk of the Urban Community Development Commission

Chairman of the Urban Community Development Commission

November 17, 2009

TO: HONORABLE CHAIRMAN AND COMMISSIONERS

FROM: EXECUTIVE SECRETARY

**SUBJECT: A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT
COMMISSION APPROVING A LEASE AGREEMENT WITH THE CITY
OF COMPTON AND THE COMPTON LOCAL HOUSING AUTHORITY**

BACKGROUND

The United States Department of Housing and Urban Development (HUD), requires evidence of a lease agreement when utilizing rental space to conduct the Section 8 Housing Choice Voucher Program. Such documentation must be provided to HUD's financial analyst during annual audits. The Sum of Thirty Five Thousand Dollars (\$35, 000) will be paid for annual rental fee, beginning July 1, 2009 and concluding June 30, 2010. The location of the Section 8 Housing Choice Voucher Program will be at 600 North Alameda Street, Compton California 90221 (Room numbers 17, 18, 19, 21, 29, 30, 31, 32, and 33, server room and supply closet).

STATEMENT OF THE FACT

The Local Housing Authority of the City of Compton was established pursuant to the Laws of the State of California. The Authority is authorized to transact business and exercise those powers within its area of operation as defined by said Laws. The purpose of the Local Housing Authority is to carry out housing and housing related activities in support of low-income families.

FINANCIAL IMPACT

There is no fiscal impact to the General Fund. The total amount will not exceed Thirty Five Thousand Dollars (\$35, 000). Funds are available in the LHA's 2009/2010 fiscal year budget in account number 2820-790-000-4286.

RECOMMENDATION

It is recommended that the Urban Community Development Commission adopt the attached resolution approving a Lease Agreement by and between the City of Compton and the Local Housing Authority of the City of Compton.

HARRIETH ROBINSON-BLUE
HOUSING DIRECTOR

CHARLES EVANS
EXECUTIVE SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON APPROVING A LEASE AGREEMENT WITH THE CITY OF COMPTON AND THE COMPTON LOCAL HOUSING AUTHORITY

WHEREAS, the United States Department of Housing and Urban Development (HUD) has executed a Consolidated Annual Contribution Contract (CACC) Section 8 Housing Choice Voucher Program with the Compton Local Housing Authority; and

WHEREAS, the Urban Community Development Commission finds that the housing program the Housing Authority administers are advantageous and necessary for unemployed and underemployed residents of the City to achieve safe, decent, sanitary, and affordable accommodations; and

WHEREAS, for many years the Compton Local Housing Authority has leased office space at 600 North Alameda Street for purposes of administering the housing program and desires to continue leasing office space for the fiscal year of 2009/2010; and

WHEREAS, the Urban Community Development Commission and the Compton Local Housing Authority agree that a reasonable annual rental fee for lease of office space for the term of July 1, 2009 through June 30, 2010 is Thirty Five Thousand Dollars (\$35,000.00).

NOW, THEREFORE, THE URBAN COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the Executive Secretary is authorized to execute a lease agreement, upon the advice of the General Counsel, between the Urban Community Development Commission and the Compton Local Housing Authority, leasing office space (Rooms 17, 18, 19, 21, 29, 30, 31, 32, 33, a server room and a supply closet) at 600 North Alameda Street, Compton.

Section 2. That the lease term shall be for fiscal year 2009/2010, commencing retroactively on July 1, 2009 and terminating on June 30, 2010.

Section 3. That the annual rental fee for the lease of office space shall be Thirty Five Thousand Dollars (\$35,000.00), payable in the monthly sum of \$2,916.66.

Section 4. That the funds are appropriated in the 2009/2010 fiscal year budget in Account No. 2820-790-000-4286.

Section 5. That a certified copy of this resolution shall be filed in the offices of the Executive Secretary, General Counsel, City Controller and Local Housing Authority.

RESOLUTION NO. _____
PAGE TWO

Section 6. That the Chairman shall sign and the Commission Clerk shall attest to the adoption of this resolution.

ADOPTED this _____ day of _____, 2009.

**CHAIRMAN OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

ATTEST:

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

**STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON**

I, Alita Godwin, Clerk of the Urban Community Development Commission, hereby certify that the foregoing Resolution was adopted by the Urban Community Development Commission, signed by the Chairman and attested by the Clerk at a regular meeting thereof held on the _____ day _____, 2009.

That said Resolution was adopted by the following vote, to wit:

**AYES: COMMISSIONERS –
NOES: COMMISSIONERS –
ABSTAIN: COMMISSIONERS –
ABSENT: COMMISSIONERS –**

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

#2.

LEASE AGREEMENT BETWEEN THE
CITY OF COMPTON
AND
COMPTON LOCAL HOUSING AUTHORITY

This **LEASE AGREEMENT** is made by and between the **CITY OF COMPTON**, a municipal corporation of the State of California (hereinafter referred to as "**LESSOR**") and the **COMPTON LOCAL HOUSING AUTHORITY** (hereinafter referred to as "**LESSEE**").

WITNESSETH:

Section 1. PREMISES. The **LESSOR**, for and in consideration of the performance of the covenants and agreements hereinafter contained to be kept and performed by the **LESSEE** and upon the following terms and conditions, hereby leases to the **LESSEE**, and the **LESSEE** hereby hires and takes of and from the **LESSOR**, identifiable space within those certain Premises situated in the City of Compton, County of Los Angeles, State of California, more particularly described as:

City of Compton Neighborhood Center
600 North Alameda Street, Compton, California 90221

Rooms 17, 18, 19, 21, 29, 30, 31, 32 and 33
Server room and Supply closet

The Premises are as outlined herein, together with:

- a. All improvements thereon and appurtenances thereto; and
- b. The continuous and uninterrupted right of **LESSEE** and sublessees and licensees, and their respective officers, employees, business invitees, customers and patrons, of access to and from the Premises over and across any part(s) of **LESSOR'S** adjacent property which is not a part of the Premises for any purpose related to the use and enjoyment of the Premises;

but reserving and excepting to **LESSOR or LESSOR'S** authorized agents free access to the Premises at all reasonable times for the purpose of inspection or for making necessary alterations, improvements or major repairs.

Section 2. TERM. The term of this Lease shall commence on **July 1, 2010** and terminate on **June 30, 2010**.

Section 3. RENT. The **LESSEE** shall pay to **LESSOR** as rent for said Premises during the term hereof the sum of **Two Thousand Nine Hundred Sixteen Dollars and Sixty-Six Cents (\$2,916.66)** per month, for a total annual lease amount of **Thirty Five Thousand Dollars (\$35,000.00)**. Rental payments shall be due in advance on the first day of each and every month of the term hereof. When the first

day of any month falls on a non-workday of the City of Compton, the rental payment for each such month shall be paid by the business day prior to said non-workday of the City of Compton.

Section 4. USE OF PREMISES. **LESSEE** is entitled to use the Premises for the following purpose:

Administration of the Local Housing Authority

LESSEE may not use the Premises for any other purpose without the prior written consent of the **LESSOR**.

Section 5. DELIVERY OF PREMISES. If **LESSOR**, for any reason, cannot deliver the Premises described above to **LESSEE** at the commencement of the term hereof, **LESSOR** shall not be liable to **LESSEE** for any loss or damage resulting therefrom and **LESSEE** at **LESSEE's** option, may declare this Agreement to be null and void and all money paid to **LESSOR** shall thereupon be refunded to **LESSEE**.

Section 6. UTILITIES AND OTHER SERVICES. **LESSOR** agrees to furnish the following utilities and services at **LESSOR'S** expense during normal business hours:

- a. Electricity for normal lighting and power for office use.
Special or additional electrical requirements over and above the standard for general office uses will be charged directly to **LESSEE** provided such additional power could be separately metered.
- b. Heating/Cooling.
- c. Hot and cold water.
- d. Routine maintenance.
- e. Painting of interior of Premises as reasonably needed.

LESSOR shall not be liable for any loss or damage caused by or resulting from any variation, interruption or failure of said utilities and services due to any cause whatsoever, other than **LESSOR'S** gross negligence, and no temporary interruption or failure of such utilities and services shall be deemed an eviction of **LESSEE** or relieve **LESSEE** from any of **LESSEE'S** obligations under this Lease Agreement.

Section 7. ASSIGNMENT AND SUBLETTING. **LESSEE** agrees not to sublet the whole or part of the Premises nor to assign the Lease without in each case first securing the written consent of the **LESSOR**. Any attempted assignment or subletting of this Lease without the written consent of the **LESSOR** constitutes fraud and shall be null and void.

Section 8. ALTERATIONS AND ADDITIONS. **LESSEE** agrees not to make any alterations or additions in or on the Premises without first securing the

#2.

written consent of the **LESSOR**. **LESSEE** further agrees to make such alterations only at such time as is agreeable to the **LESSOR**. **LESSEE** shall construct **LESSEE'S** improvements at its sole cost and expense, subject to review by **LESSOR** of plans and specifications and **LESSOR'S** consent.

LESSOR agrees that except for structural alterations, the **LESSEE** may remove, during or at the expiration or other termination of the term of this Lease, or of any extension or holdover period thereof, as the case may be, trade fixtures, including machinery, equipment, furnishings and all other personal property placed or installed in or upon the Premises by the **LESSEE** or under its authority. Any personal property, trade fixtures, alterations, improvements or additions not removed by **LESSEE** within thirty (30) days after the end of the term shall automatically become the property of **LESSOR**.

LESSEE shall repair any damage to the Premises caused by **LESSEE'S** removal of its personal property, trade fixtures, alterations, improvements or additions.

Section 9. REPAIRS AND MAINTENANCE. **LESSEE** agrees to repair and maintain at its own expense the interior of the Premises leased and to return said Premises to **LESSOR** in as good order, repair and condition as the same were in at the commencement of this Lease; damage caused by fire and items covered by extended coverage insurance, unavoidable casualty, reasonable wear and tear, and **LESSOR'S** failure to repair excepted. Any equipment, facilities or fixtures shall, at **LESSEE'S** sole expense, be kept, repaired, maintained, replaced or added to, at all times by **LESSEE** in good order and in sanitary and safe condition and repair and in accordance with all governmental requirements and insurance requirements.

Section 10. INSURANCE. **LESSEE** shall furnish certificates substantiating the fact that it has taken out the specified insurance for the term covered by this Lease, or any extension or holdover period thereof, with an insurance carrier acceptable to the **LESSOR** under forms satisfactory to the **LESSOR**. Each certificate shall bear an endorsement precluding cancellation or reduction in coverage of any policy covered by such certificate except upon at least thirty (30) days prior written notice to **LESSOR**. Each certificate shall include an endorsement page naming **LESSOR** as *"additional insured."*

LESSEE shall present proof of required insurance coverage to **LESSOR** on or before the effective date of this Lease. The **LESSEE** shall not occupy the Premises until the **LESSOR** has received and approved the required certification for the following policies:

- a. Workman's Compensation Insurance to cover employees of the **LESSEE** as required by the Labor Code of the State of California.
- b. General liability insurance insuring against any and all claims and risk for injury to or death of persons and loss of or damage to property occurring upon, in or about the Premises with minimum limits of **One Million Dollars (\$1,000,000.00)** for each occurrence.

LESSEE shall be solely responsible for securing any other and additional insurance that **LESSEE** deems necessary relating to any of **LESSEE'S** furniture, equipment or other personal property maintained by **LESSEE** at the Premises.

Section 11. DAMAGE OR DESTRUCTION. **LESSOR** agrees that should the Premises be so badly damaged by fire, incidents of war, earthquake, or other violent action of the elements as to render them wholly unfit for **LESSEE'S** occupancy, then this Lease shall be terminated immediately upon the happening of any such event, whereupon **LESSEE** shall surrender the Premises and shall not be liable for any further rental and **LESSOR** shall return any unearned rent paid in advance by **LESSEE** calculated at a daily rate based on the regular yearly rental.

In event of any lesser damage by such cause, **LESSOR** may restore the Premises to the condition it was in immediately prior to the event causing the damage, and the rental shall abate in proportion to the area not used by **LESSEE** during the period of restoration. If **LESSOR** should fail to pursue said restoration work with reasonable diligence to completion, **LESSEE** at its sole option may surrender the Premises and shall not be liable for any further rental under this Lease.

LESSOR shall not be in any way or to any extent liable for any loss or damage to any property at any time or within said leased premises, whether occasioned by fire or water or gas which may come or be therein or from any other cause whatsoever.

Section 12. CONDEMNATION. Should the **LESSEE** be required to vacate the Premises, it will not be eligible for relocation payments or other assistance under the Uniform Relocation Assistance Act or HUD regulation. The **LESSEE** waives any and all rights to relocation benefits as specified in the Uniform Relocation Assistance Act of 1970 by its signature here:

By: _____

Section 13. DEFAULT. **LESSEE** agrees that if default shall be made in the payment of rent in the manner herein provided or in any of the covenants or agreements herein contained on the part of the **LESSEE** to be kept and performed, it shall be lawful for the **LESSOR** to declare said term ended and to terminate this Lease upon the giving of thirty (30) days written notice. In addition thereto, **LESSOR** shall have such other rights or remedies as may be provided for by law.

Section 14. HOLDING OVER. In case **LESSEE** holds over beyond the term herein provided with the consent, express or implied, of the **LESSOR**, such tenancy shall be from month-to-month only, subject to the terms and conditions of this Lease, but shall not be a renewal hereof, and the rent to be paid therefore shall be at the rate **prevailing** under the terms of this Lease.

Section 15. CANCELLATION PROVISION. **LESSEE** and **LESSOR** shall each, alone, have the right to cancel this Lease, with or without cause, before its

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scheduled termination date provided that the canceling party has provided a sixty (60) day written notice of the intent to cancel to the other party.

Section 16. **LESSOR'S ACCESS.** **LESSEE** agrees to permit the **LESSOR** or **LESSOR'S** authorized agents free access to the Premises at all reasonable times for the purpose of inspection and making such alterations, improvements, additions or repairs to the Premises or to the building as necessary.

Section 17. **DISCRIMINATION.** The **LESSEE** herein covenants by and for itself, its heirs, executors, administrator, and assigns, and all persons claiming under or through it that this Lease is made, accepted and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, marital status, national origin, or ancestry, the leasing, subleasing, transferring, use, occupancy, tenure, enjoyment of the Premises herein leased nor shall the **LESSEE** itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use of occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the Premises herein leased.

Section 18. **NOTICES.** Any notices required or permitted under this Lease shall be effective when delivered in person; and effective two (2) business days after delivery by facsimile transmission; and effective five (5) business days after mailing by U.S. Mail, postage prepaid and properly addressed to the **LESSOR** at:

**City of Compton
205 South Willowbrook Avenue
Compton, California 90220
Attn: City Manager**

and to the **LESSEE** at:

**Compton Local Housing Authority
600 North Alameda Street
Compton, California 90221
Attn: Director**

Section 19. **INDEMNIFICATION.** **LESSEE** shall indemnify and save harmless the **LESSOR**, its officials, officers, employees, agents and volunteers (collectively hereafter the "Lessor"), against any and all damages to property or injuries to or death of any person or persons, and shall defend, indemnify and save the **LESSOR** from any and all liability and expense, including defense costs and legal fees, and claims, demands, suits, actions or proceedings of any kind or nature, including Workers' Compensation claims, of or by anyone whomsoever in any way resulting from or arising out of **LESSEE**, its employees, contractors, agents or invitees use of the Premises, or from conduct of **LESSEE**, its employees, contractors, agents or invitees

practice or business from any activity, work or things done, permitted or suffered by **LESSEE** in or about the premises, or from the negligent or intentional acts or omissions of **LESSEE**, its employees, contractors, agents or invitees.

Section 20. ENTIRE AGREEMENT. This Lease contains the entire agreement of **LESSOR** and **LESSEE**. There are no agreements, terms, conditions or obligations other than those set forth herein. This Lease shall supersede all previous communications, representations or agreements, either verbal or written between **LESSOR** and **LESSEE**. This agreement may be modified only by written agreement signed by both **LESSOR** and **LESSEE**.

IN WITNESS WHEREOF, LESSEE has executed this Lease and the **LESSOR**, by its City Manager/Executive Secretary, who is authorized to do so, has executed this Lease.

**COMPTON LOCAL HOUSING AUTHORITY
LESSEE**

Dated: _____

By _____
Harrieth Robinson
Housing Director

**CITY OF COMPTON/URBAN COMMUNITY
DEVELOPMENT COMMISSION
LESSOR**

Dated: _____

By _____
**City Manager, City Manager/
Executive Secretary**

Approved as to form:

Craig Cornwell
City Attorney

By _____
Deputy City Attorney

Dated: _____

#2.

ATTEST:

Dated: _____

By _____
Alita Godwin, City Clerk

RESOLUTION SIGN-OFF FORM

DEPARTMENT: **Housing Authority**

RESOLUTION TITLE: A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON APPROVING A LEASE AGREEMENT WITH THE CITY OF COMPTON AND THE COMPTON LOCAL HOUSING AUTHORITY

Harrieth Blue
DEPARTMENT MANAGER'S SIGNATURE

11/3/2009 5:58:45 PM
DATE

REVIEW / APPROVAL

Ruth Rugley
CITY ATTORNEY

11/9/2009 3:49:00 PM
DATE

Willie Norfleet
CITY CONTROLLER

11/12/2009 3:00:01 PM
DATE

Dave Hewitt
CITY MANAGER

11/9/2009 9:05:28 AM
DATE

Use when:

Public Works: When contracting for Engineering Services.

City Attorney: When contracting for legal services; contracts that require City Attorney's review.

Controller/Budget Officer: Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.

Asst. City Manager/OAS: All personnel actions.

November 17, 2009

TO: CHAIRMAN AND COMMISSIONERS

FROM: EXECUTIVE SECRETARY

SUBJECT: A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON AUTHORIZING AN ADVANCE OF \$5,000,000 FROM THE CITY OF COMPTON TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON.

BACKGROUND:

UCDC Resolution Number 1746 authorized the Executive Secretary to work out the terms and conditions of a \$6,000,000 Gap Financing Loan Agreement with Prism-IQ Partners, LLC, in connection with refinancing a portion of a construction loan for the Gateway Towne Center. On October 7, 2009, the Compton Redevelopment Agency ("Agency") entered into the loan agreement. The condition precedent to the Agency's obligation to fund the Loan Agreement has occurred. Presently, in order to comply with the Agency's funding obligation under the Loan Agreement, the Agency desires to borrow from the City, \$5,000,000, for disbursement by the Agency pursuant to the loan agreement.

This proposal is consistent with Health and Safety Code Sections 33132 and 33133 which allow the Agency to accept assistance from public sources for any redevelopment project within its area of operation or for the Agency's activities, powers and duties. Further, Health and Safety Code Section 33320 provides that for the purpose of aiding and co-operating in the planning, undertaking, construction or operation of redevelopment projects located within the area in which it is authorized to act, the City, may, upon the terms, and with or without consideration, as it determines, enter into an agreement with the Agency.

FISCAL IMPACT:

This Resolution is requesting that the City advance five million dollars to the Community Redevelopment Agency and the Agency will then repay the advancement back to the City by June 30, 2010.

RECOMMENDATION

That the attached Resolution be adopted.

**CHARLES EVANS
EXECUTIVE SECRETARY**

RESOLUTION NO. _____

A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON AUTHORIZING AN ADVANCE OF \$5,000,000 FROM THE CITY OF COMPTON TO THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON

WHEREAS, the Community Redevelopment Agency of the City of Compton (the "Agency") is carrying out the Redevelopment Plan for the Compton Redevelopment Project Area, as merged and amended ("Project Area"); and

WHEREAS, the Agency entered into the Compton Subordinate Fund Loan Agreement ("Loan Agreement"), dated as of October 7, 2009, by and between the Agency and CNB New Markets Investment Fund 1, LLC, a Delaware limited liability company ("Borrower"); and

WHEREAS, pursuant to the Loan Agreement, Agency agreed to loan ("Loan") Borrower the principal amount of \$6 million ("Loan Amount") in connection with the financing of a multi-tenant retail power center containing approximately 147,030 square feet of retail space, located in the Project Area at 110, 200, 208, 212, and 230 Towne Center Drive and 1633, 1641, and 1725 South Alameda Street, Compton, California; and

WHEREAS, the conditions precedent to the Agency's obligation to fund the Loan pursuant to the Loan Agreement have occurred and;

WHEREAS, the Agency has advanced \$1 million of the Loan Amount to an escrow account held by CNB New Markets Investment Fund and to be disbursed to Borrower upon the Agency securing sufficient funds to disburse the entire Loan Amount to Borrower; and

WHEREAS, in order to comply with the Agency's funding obligation under the Loan Agreement, Agency desires to borrow from the City, and the City desires to advance to the Agency, \$5 million for disbursement by Agency to Borrower pursuant to the Loan Agreement; and

WHEREAS, the Health and Safety Code Sections 33132 and 33133 provide that the Agency may accept assistance from public sources for any redevelopment project within its area of operation or for the Agency's activities, powers and duties, and Health and Safety Code Section 33320 provides that for the purpose of aiding and co-operating in the planning, undertaking, construction or operation of redevelopment projects located within the area in which it is authorized to act, the City may, upon the terms, and with or without consideration, as it determines, enter into an agreement with the Agency.

NOW, THEREFORE, THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. That the Agency hereby approves an advance from the City to Agency ("Advance") in the amount of \$5 million ("Advance Amount"). The Agency hereby acknowledges that the Advance Amount shall be a limited obligation of the City and shall be funded from the first monies received by the City from Property Tax, Motor Vehicle License Fees, Sale Tax Revenues and other remittance from Los Angeles County received on or before December 28, 2009 following the adoption by the City Council of a resolution authorizing the Advance ("City Revenues"). The Agency hereby acknowledges that the City shall deposit the City Revenues upon receipt into a separate account of the City's General Fund ("Advance Account") until the amount of City Revenues deposited therein are equal to the Advance Amount and shall be advanced to the Agency upon its request therefor.

SECTION 2. That the Advance shall be evidenced by an advance agreement between the City and Agency (“Advance Agreement”) mutually acceptable to the City and Agency and to be negotiated by the City Manager and Executive Director of the Agency in consultation with the City Attorney and shall contain the following terms and conditions:

- (i) City’s obligation to make the Advance shall be a limited obligation payable solely from the City Revenues on deposit in the Advance Account;
- (ii) The funds advanced to Agency pursuant to the Advance Agreement shall not bear interest an interest rate;
- (iii) Agency shall use the Advance solely for the purpose of disbursing the Loan Amount to Borrower pursuant to the Loan Agreement;
- (iv) Agency shall repay the Advance, from all legally available revenues, including tax increment revenues derived from the Project Area by June 30, 2010; and
- (v) Agency shall not encumber, pledge or place any charge or lien upon any of the Agency Revenues superior to or on a parity with the pledge and lien on the Agency Revenues created pursuant to the Advance Agreement, except as permitted by the Advance Agreement.:

SECTION 3. That in consultation with, and upon the advice of the City Attorney, the officers of the Agency are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.

SECTION 4. That a certified copy of this resolution shall be filed in the offices of the Executive Secretary, City Attorney, City Controller, Community Redevelopment Agency, City Treasurer and City Clerk.

SECTION 5. That the Chairman shall sign and the City Clerk shall attest to the adoption of this Resolution.

ADOPTED this _____ day of _____, 2009.

**CHAIRMAN OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

ATTEST:

CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON

I, Alita Godwin, City Clerk of the City of Compton, hereby certify that the foregoing resolution was adopted by the City Council, signed by the Mayor, and attested by the City Clerk at a regular meeting thereof held on the _____ day of November, 2009.

That said resolution was adopted by the following vote to wit:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

CITY CLERK OF THE CITY OF COMPTON